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June 13, 2002

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† MANAGING ATTORNEY IN OFFICE

Wayne Bachert
Bachert Construction
428 Elm Street
Tamaqua, PA 18252

**RE: Carpenters Health and Welfare Fund of Philadelphia
and Vicinity - and - Bachert Construction
Contribution Compliance Audit**

Dear Mr. Bachert:

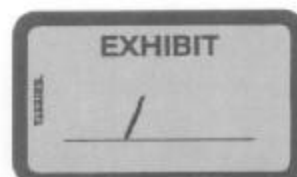
Our office has been retained to represent the Boards of Trustees of the Carpenters Funds who have referred for consideration your failure and/or refusal to provide their representatives with records and other information they need to complete the audit of your payroll books and related records for the period May 4, 2000 through April 9, 2002. September 27, 1998 to date.

Under the terms of your collective bargaining agreement with the Union, as well as applicable federal law, you are required to permit the Funds to conduct such an audit and to produce all records the auditors deem reasonably necessary for them to determine that all contractually-required contributions have been paid.

By letter dated April 11, 2001 (should be April 11, 2002), the auditor detailed the additional information and documents that were needed to complete the audit. A copy of that letter is enclosed. To date, you have failed to produce any of the requested documents or information.

Absent the auditor's receipt of the requested documents and other information within ten (10) days from the date of this letter, the Funds will proceed as necessary to protect their rights and interests. This will include completing the audit using the assumption that all payments represent hours of covered work performed within the Union's jurisdiction. No other assumption is reasonable given your refusal to produce records that should otherwise support your position.

100719-1



June 13, 2002

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Appropriate legal proceedings also will be initiated in the United States District Court for the Eastern District of Pennsylvania. In the event litigation becomes necessary, your ultimate liability will substantially increase as the law provides for the mandatory award of interest, liquidated damages and reimbursement to the Funds for all attorney's fees and costs they incur to obtain the records and collect any amounts you may owe. By copy of this letter I am asking Mr. Tapken to let me know he receives the requested information and documents. I trust that you will comply with your contractual and statutory obligations.

Very truly yours,



SANFORD G. ROSENTHAL

chwp.8074.c.del. emp. gen.

Enclosure

cc: Piotr Tonia
Michael D. Tapken
Lori Bachert

BOARD OF ADMINISTRATION

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CARPENTERS
HEALTH & WELFARE FUND
OF PHILADELPHIA & VICINITY

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PHILADELPHIA, PA 19130-3998
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email: fundadmin@philacarpenter.org
website: philacarpenterfunds.org



April 11, 2001

Lori Bachert
Bachert Construction
428 Elm Street
Tamaqua, PA 18252

Re: Audit of Bachert Construction for the period of May 4, 2000 through December 31, 2001.

Ms. Bachert:

On April 9, 2001 the Carpenters Health and Welfare Fund conducted an audit of Bachert Construction for the period of May 4, 2000 through December 31, 2001. However, the audit was unable to be completed.

I requested timesheets or other documentation showing where the non-union employees worked but no records were available. In addition to the non-union employees I also asked about a list of checks made payable to cash.

Below is a list of records needed to complete audit:

- 1) Timesheets invoices, work orders showing locations for all non-union employees.
- 2) Receipts or expenses sheets showing a breakdown of expenses for each check Issued to cash
- 3) Fringe benefit reports showing benefits being paid for hours worked by Paul Derr and David Welsh for all hours not paid to the Philadelphia Carpenters Health and Welfare Fund.

While conducting the audit I reviewed invoices for June of 2001, which clearly showed work being performed in the MRC Jurisdiction with no benefits paid. Without documentation showing where the non-union employees worked I have no option, but to assume that all hours worked were in the Jurisdiction of the MRC. Thank you.

Sincerely,
The Carpenters Health and Welfare Fund
Of Philadelphia and Vicinity

Michael D Tapken
Fund Auditor
Attachment

Bachert Construction

checks made payable to cash

2000-2001

<u>CHECK #</u>	<u>DATE</u>	<u>NOTES</u>	<u>AMOUNT</u>
2089	3/15/01	CHRIS-SATURDAY	\$180.00
2137	3/22/01	CASH	\$75.00
2142	3/22/01	CASH	\$500.00
2299	5/4/01	CASH	\$550.00
2336	5/18/01	CASH	\$120.00
3371	5/25/01	CASH	\$150.00
5310	2/23/01	CASH	\$235.00
2069	3/1/01	CASH	\$1,000.00
2146	3/22/01	CASH	\$1,000.00
5318	4/11/01	CASH	\$200.00
2241	4/20/01	CASH	\$160.00
2236	4/20/01	CASH	\$435.00
	7/18/00	CASH	\$500.00
1602	7/25/00	CASH	\$2,000.00
1461	7/28/00	CASH	\$117.50
1462	7/28/00	CASH	\$90.00
1473	8/19/00	CASH	\$175.00
1423	8/23/00	CASH	\$2,000.00
2167	9/5/00	CASH	\$500.00
2444	9/25/00	CASH	\$2,000.00
2467	10/2/00	CASH	\$800.00
5011	10/20/00	CASH	\$70.00
5010	11/7/00	CASH	\$200.00
5019	11/22/00	CASH	\$175.00
5024	11/22/00	CASH	\$800.00
5023	11/22/00	CASH	\$670.00
5022	11/22/00	CASH	\$510.00
5021	11/22/00	CASH	\$300.00
5026	11/22/00	CASH	\$5,000.00
5030	12/5/00	CASH	\$60.00
5045	12/29/00	CASH	\$800.00
1674	1/8/00	CASH	\$2,500.00
5301	1/16/00	CASH-ME	\$1,000.00
1991	1/18/01	CASH	\$375.00
1995	1/24/01	CASH	\$400.00
5070	2/8/01	CASH	\$500.00

Bachert Construction
non-union employee
2000-2001

<u>SS#</u>	<u>NAME</u>	<u>2000</u>	<u>2001</u>	<u>Hourly Rate</u>
184-48-5009	ACE, JOHN	\$1,253.46		
204-72-1391	ALU, CHRIS		3099.83	8.25
186-64-5143	ANDREWS, ARLINGTON		533	7.5
179-64-9309	BECKETT, BENJAMIN	\$930.66		
196-46-8988	DENNIS, JAMES		144	8
173-68-4034	EBERTS, JASON	\$11,270.78		
170-34-1975	GARRIS, ROBERT E		7880.26	16.4
187-58-5496	GOHO, BRIAN		4382.4	10
530-19-7175	GRIZZLE, CHRIS	\$3,570.75		
179-62-4926	HELL, JOHN C	\$9,704.81		
222-64-0734	HILL, JOHN J		791.88	9.5
208-54-9817	HOLLAN, JOESPH	\$23,270.72		
165-62-3675	HOLLANBACH, ERIC	\$1,468.95		
194-56-7095	HUEGAL, CHRISTOPHER		723.9	
194-56-7095	HUEGAL, CHRISTOPHER		723.9	
189-58-8817	KAUFMAN, MIKE	\$1,275.31		
222-38-6666	KLYMER, JEFFERY		\$182.96	22.87
200-50-8059	KOHLER, MATHEW		417.12	26.07
172-60-1489	KRALL, DENOM		4923.8	9.5
202-54-2286	KUNKEL, BRUCE S	\$12,958.14	28337.35	13
17152-0629	KUTZ, DAVE	\$10,294.87		
192-56-5205	LEMMING, MICHAEL	\$948.00		
406-94-4829	LEWIS, MICHAEL J		6623.96	10.25
191-44-4091	MARTIN, RUSSEL		182.96	
161-60-8770	MCARDIE, KIETH	\$4,514.34		
205-54-0217	MCLAUGHLIN, RICHARD	\$1,419.55		
163-64-9460	MOSER, CURT C		16492.55	13
187-60-6752	NIELSON, RANDY	\$2,059.13		
190-50-2330	PICKETT, THOMAS	\$2,777.40		
208-64-3263	PRAYNER, JOE		4160.81	
189-44-7174	SEIGFREID, RYDER	\$5,576.70		
180-56-3333	SERINA, CHRIS	\$17,000.20	13536.24	11.5
150-50-6051	SERRANO, ERIC	\$810.00		
204-56-1105	SHAMONSKY, GEORGE	\$1,425.00		
198-58-0349	SYTNIK, FRANK		2348.5	14
196-48-7648	WENSEL, DAVID	\$211.50		